

## AMID GLOBAL UNCERTAINTY, SUPPORTED BY POLICY COORDINATION AND SYNERGY AMONG AUTHORITIES

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- 1. The Financial System Stability Committee (KSSK) assessment indicates that fiscal, monetary, and financial-sector conditions remained well-maintained** during the first quarter of 2026, amid heightened volatility in global financial markets following the escalation of conflict in the Middle East. Entering April 2026, developments surrounding the conflict-resolution process in the Middle East continued to drive global financial-market volatility, particularly through rising energy prices. In light of these developments, KSSK — comprising the Minister of Finance, the Governor of Bank Indonesia (BI), the Chairperson of the Board of Commissioners of the Financial Services Authority (OJK), and the Chairperson of the Board of Commissioners of the Indonesia Deposit Insurance Corporation (LPS) — will continue to closely monitor developments and conduct forward-looking assessments of recent economic and financial-sector performance amid rising global economic uncertainty, while undertaking coordinated mitigation measures among KSSK member institutions and with other ministries/agencies. This assessment was based on the Second Regular KSSK Meeting of 2026, held on Monday, 27 April 2026.
- 2. The global economic outlook has weakened further due to the conflict in the Middle East.** Disruptions to global supply chains caused by the conflict have pushed up global oil prices and several other key commodity prices, thereby affecting the smooth functioning of international trade supply chains. Against this backdrop, global economic growth is projected to moderate to 3.1% in 2026 from 3.4% in 2025, while global inflation is projected to rise to 4.4% in 2026 from 4.1% in 2025, in line with the International Monetary Fund (IMF) projections in the April 2026 edition of the World Economic Outlook. Rising inflationary pressures have narrowed the room for global monetary easing, including potential reductions in the U.S. Federal Funds Rate (FFR). In financial markets, volatility has increased amid investors' flight-to-safety behavior, driving a stronger U.S. dollar and constraining capital flows to emerging markets.
- 3. Indonesia's economy continued to record strong growth, reflecting the domestic economy's resilience amid global dynamics.** Economic growth in the first quarter of 2026 reached 5.61% year-on-year, stronger than the 5.39% year-on-year growth recorded in the previous quarter, driven by accelerated Government spending, particularly through priority expenditures that also supported higher household consumption and investment. Household consumption remained robust, supported by sustained consumer confidence, increased economic activity during the National Religious Holidays (HBKN) period, and Government stimulus measures and social assistance programs aimed at preserving purchasing power.

Government consumption grew significantly in support of various national priority programs, including the Free Nutritious Meals Program (MBG), Fishermen's Villages, and People's Schools. The acceleration in Government spending since the beginning of the

year is expected to generate stronger multiplier effects on economic activity in subsequent periods. Investment growth also remained strong, supported by the commencement of downstreaming projects under Danantara and the development of infrastructure supporting Government priority programs.

The realization of first-quarter 2026 economic growth was further supported by manufacturing activity that consistently remained in expansion territory (March PMI: 50.1), positive retail sales growth (March: 2.4% yoy), and a continued trade surplus (March: USD3.3 billion). The effectiveness of policy coordination between the Government and Bank Indonesia in maintaining adequate liquidity in the economy and banking sector was reflected in non-adjusted M0 growth of 11.8% yoy in March 2026, alongside increasingly efficient banking funding costs.

Based on these developments, full-year economic growth in 2026 is projected to reach 5.4% or higher, supported by policy synergies between the Government and other KSSK member institutions to maintain growth momentum. Synergies to promote job creation and improve the investment climate are being strengthened among the Government, Danantara, and financial institutions through the implementation of priority programs that support economic growth and public welfare.

President Prabowo Subianto has established the Task Force for the Acceleration of Government Programs to Support Economic Growth Enhancement (Satgas P3M-PPE) to accelerate strategic programs, strengthen investment, and promote job creation. The Task Force has also introduced a 24-hour Debottlenecking Channel service to swiftly, transparently, and in an accountable manner resolve licensing and investment-related bottlenecks. As of April 2026, the Task Force had convened eight sessions and resolved various cross-sector strategic issues, including the Abadi Masela LNG project, Special Economic Zones (SEZs), SNI certification, licensing for pharmacies and biofuels, and investment and business-governance bottlenecks.

- 4. External resilience must continue to be strengthened amid rising global uncertainty stemming from the Middle East conflict.** Indonesia's trade balance recorded a surplus of USD5.5 billion during January – March 2026, supported by a non-oil-and-gas trade surplus, despite an oil-and-gas trade deficit. During the first quarter of 2026, foreign portfolio investment recorded net outflows of USD1.7 billion, reflecting heightened global financial-market uncertainty triggered by the Middle East conflict.

The Rupiah exchange rate stood at IDR16,995 per U.S. dollar at the end of March 2026, depreciating by 1.88% point-to-point compared with that of end-2025 levels. Policies to stabilize the Rupiah exchange rate continued to be strengthened amid heightened global financial market uncertainty. Bank Indonesia intensified foreign-exchange interventions, including offshore Non-Deliverable Forward (NDF) transactions, spot transactions, and Domestic Non-Deliverable Forward (DNDF) transactions in the domestic market, while also strengthening the interest-rate structure of monetary instruments to attract foreign portfolio inflows. These measures were reinforced by adjustments to foreign-exchange transaction thresholds beginning in April 2026.

Through these policy measures, the Rupiah exchange rate remained relatively stable at IDR17,415 per U.S. dollar as of 5 May 2026. At the beginning of the second quarter (up to 30 April 2026), foreign capital flows recorded net inflows of USD3.3 billion, particularly into Bank Indonesia Rupiah Securities (SRBI) and Government Securities (SBN), supported by higher yields on both instruments. Indonesia's foreign-exchange reserves stood at USD148.2 billion at the end of March 2026, equivalent to 6.0 months of imports and well above the international adequacy standard of approximately three months of imports.

- 5. Inflation remained under control during the first quarter of 2026, with Consumer Price Index (CPI) inflation in April 2026 maintained within the target range of 2.5±1%.** CPI inflation in April 2026 stood at 2.42% yoy, lower than the 3.48% yoy recorded in March 2026. Core inflation declined to 2.44% yoy, supported by well-anchored inflation expectations and the consistency of Bank Indonesia's monetary policy. Inflation in the volatile food category also moderated to 3.37% yoy, supported by adequate supplies of key food commodities amid harvest season in major producing regions and normalization of demand following the Idulfitri HBKN period.

Inflation in administered prices also declined to 1.53% yoy, reflecting the fading base effect from the 50% postpaid electricity tariff discount policy implemented in March 2025, as well as Government measures to maintain price stability through fuel and electricity subsidies. Going forward, inflation in 2026 and 2027 is projected to remain within the target range of 2.5±1%, supported by consistent monetary policy and Government price-control measures. In addition, synergies between the Government and Bank Indonesia through the Central and Regional Inflation Control Teams (TPIP/TPID), as well as strengthened implementation of the National Food Security Program, will continue to support inflation stability within the target range.

- 6. The Government Securities (SBN) market experienced pressure during the first quarter of 2026 but began to show signs of improvement at the start of the second quarter.** Pressure in global bond markets was driven by investors' risk-off sentiment amid geopolitical uncertainty in the Middle East, which contributed to rising global oil prices and heightened global inflationary pressures. This sentiment led to higher sovereign bond yields globally. In line with the 38 bps increase in the yield of the 10-year U.S. Treasury bond during March 2026, yields on emerging-market government bonds increased by between 14 and 298 bps during the same period, including Indonesia's SBN yield, which rose by 43 bps. Consequently, foreign holdings of SBN declined by IDR21.81 trillion during March 2026.

However, entering April 2026, pressures in the domestic SBN market began to ease. As of 5 May 2026, the 10-year SBN yield had declined by six bps compared with end-March 2026 levels, while foreign ownership increased by IDR14.25 trillion relative to end-March 2026.

- 7. Amid global pressures and commodity price volatility, the State Budget (APBN) continued to serve as a shock absorber through effective fiscal spending.** Despite the potential for Indonesian Crude Price (ICP) levels to exceed the assumptions underlying

the 2026 State Budget, the Government remains committed to maintaining stable subsidized fuel prices and keeping the fiscal deficit below 3% of GDP. This commitment is being supported through various mitigation measures, including expenditure efficiency and reprioritization, accelerated spending realization in the first quarter, and optimization of state revenue collection.

8. **As of the first quarter of 2026, State Revenue realization reached IDR574.9 trillion, representing a strong growth of 10.5% yoy.** Continued improvement in tax revenue quality and a solid tax base supported positive tax revenue growth of 20.7%, reaching IDR394.8 trillion (16.7% of the APBN target), while customs and excise revenue amounted to IDR67.9 trillion (20.2% of the APBN target).

Meanwhile, Non-Tax State Revenue (PNBP) performance in the first quarter of 2026 remained on track, reaching IDR112.1 trillion (24.4% of the APBN target), although still contracting by 3.0% yoy due to lower global oil prices at the beginning of the year, suboptimal oil and gas lifting performance, and the absence of recurring SOE dividend contributions. Excluding Separated State Assets (KND), however, PNBP recorded positive growth of 7.0% yoy.

9. **State Expenditure performance continued to be optimized to support economic growth and national priority programs.** As of the first quarter of 2026, State Expenditure realization reached IDR815.0 trillion, up 31.4% yoy. This consisted of Central Government Expenditure amounting to IDR610.3 trillion (19.4% of the APBN target) and Regional Transfers totalling IDR204.8 trillion (29.5% of the APBN target).

The strong growth in State Expenditure realization reflects the Government's efforts to accelerate and broaden spending distribution in order to generate stronger multiplier effects on economic activity. Fundamentally, the Government is striving to shift the spending pattern from previously "slow-low" toward "quick-high", while continuing to maintain the fiscal deficit within prudent and manageable limits.

10. **The realization of State Expenditure was supported by the disbursement of holiday allowances (THR)** for civil servants, members of the Indonesia National Armed Forces (TNI), the Indonesia National Police (POLRI), and pensioners; goods expenditure under the Free Nutritious Meals Program (MBG); as well as the realization of various social assistance programs, including basic food assistance cards and National Health Insurance Contribution Assistance Recipients (PBI JKN), among other social assistance measures.

In addition, capital expenditure continued to be optimized to support economic growth through the construction and rehabilitation of roads, irrigation systems, networks, and equipment, as well as machinery and supporting infrastructure.

11. **Budget Financing remained well maintained within prudent and manageable limits in supporting credible and accountable State Budget (APBN) management.** As of the first quarter of 2026, Budget Financing realization reached IDR257.4 trillion, equivalent to 37.3% of the APBN target. The fulfilment of financing targets continues to take into account

efficient funding costs, well-mitigated and properly managed risks, and the maintenance of debt indicators at safe and sustainable levels.

12. The APBN continues to be optimized as a shock absorber to mitigate economic shocks, protect household purchasing power, and ensure that every rupiah spent delivers tangible impacts on economic growth and public welfare. Within the 2026 fiscal strategy, the realization of national priority spending through the first quarter was directed toward:
  - a. strengthening and protecting purchasing power, including through the Family Hope Program (PKH), basic food assistance cards, National Health Insurance Contribution Assistance Recipients (PBI JKN), professional allowances for non-civil servant teachers and lecturers (TPG/TPD Non-PNS), and housing programs;
  - b. enhancing public services, including through the Free Nutritious Meals Program (MBG), as well as the development of People's Schools and Garuda Excellence Schools;
  - c. stabilizing prices and supporting production, including through energy and non-energy subsidies, such as KUR interest subsidies and fertilizer subsidies, as well as rice and unhusked rice procurement by Bulog; and
  - d. strengthening infrastructure and productivity, including through the preservation of roads and bridges, dams and irrigation development, and the revitalization of schools and madrasahs.

13. **Bank Indonesia (BI) continues to strengthen its policy mix to maintain macroeconomic and financial system stability while promoting sustainable economic growth**, in close synergy with KSSK coordination and the Government's Asta Cita Program. During the first quarter of 2026, monetary policy was implemented by maintaining the BI-Rate, strengthening exchange-rate stabilization and inflation control, reinforcing foreign-exchange transaction policies, and advancing deepening measures in the money and foreign-exchange markets to preserve stability and support economic growth.

Macroprudential policy continued to be strengthened to support economic growth through increased lending and financing to the real sector, particularly Government priority sectors, while accelerating reductions in bank lending rates through the implementation of the Macroprudential Liquidity Incentive Policy (KLM), without compromising financial system stability.

Meanwhile, payment-system policy continued to support economic activity through the expansion of digital-payment acceptance, strengthening of the payment-system industry structure, and enhancement of the reliability and resilience of payment-system infrastructure.

14. **Consistent with the above policy mix, Bank Indonesia implemented the following monetary policy measures:**

- a. BI maintained its policy rate in February, March, and April 2026 at 4.75%, consistent with its policy focus on strengthening Rupiah exchange-rate stabilization amid worsening global economic conditions resulting from the Middle East conflict. Going forward, BI remains prepared to undertake further monetary-policy tightening as necessary to preserve Rupiah stability and maintain inflation within the 2.5±1% target range for 2026 and 2027.
- b. BI strengthened the effectiveness of monetary policy implementation to preserve Rupiah exchange-rate stability and maintain inflation within the 2.5±1% target range for 2026 and 2027 through the following seven measures:
  - i. strengthening Rupiah exchange-rate stabilization through interventions in spot and Domestic Non-Deliverable Forward (DNDF) transactions in the domestic market, as well as Non-Deliverable Forward (NDF) transactions in offshore markets across major global financial centers, including Hong Kong, Singapore, London, and New York, supported by adequate foreign-exchange reserves;
  - ii. strengthening the interest-rate structure of pro-market monetary instruments, particularly Bank Indonesia Rupiah Securities (SRBI), to maintain the attractiveness of domestic financial assets for foreign portfolio inflows and support Rupiah stabilization;
  - iii. continuing measured purchases of Government Securities (SBN) in the secondary market in coordination with the Ministry of Finance. As part of monetary-fiscal policy synergy, BI's SBN purchases in 2026 (up to 4 May 2026) reached IDR123.1 trillion, including IDR63.15 trillion purchased in the secondary market.
  - iv. ensuring adequate liquidity in money markets and the banking system by maintaining Primary Money growth above 10%, in line with monetary expansion;
  - v. strengthening foreign-exchange transaction policies effective since April 2026 to support Rupiah stability through: (1) lowering the threshold for cash foreign exchange purchases against Rupiah from USD100 thousand to USD50 thousand per customer per month, with a further reduction planned to USD25 thousand; (2) increasing the threshold for DNDF/Forward sales transactions from five million U.S. dollars to ten million U.S. dollars per transaction; and (3) increasing the buy and sell threshold for Swap transactions from five million U.S. dollars to ten million U.S. dollars per transaction, while expanding foreign-exchange monetary - operation instruments through Offshore Chinese Renminbi (CNH)-Rupiah spot and swap instruments and broader use of Local Currency Transactions (LCT) in trade and investment activities;
  - vi. strengthening the implementation of money-market and foreign-exchange market deepening measures under the 2030 Money Market Deepening Blueprint (BPPU 2030) to support financial-market stability and national economic financing, including exemptions from restrictions on offshore foreign-exchange NDF sales

against Rupiah for selected Primary Dealers in the Money Market and Foreign Exchange Market (PUVA) meeting Bank Indonesia requirements, in support of Rupiah stability and domestic financial-market deepening; and

- vii. strengthening supervision of banks and corporations with significant U.S. dollar purchasing activities through coordination with OJK, as well as strengthening Foreign Exchange Traffic (LLD) reporting requirements through adjustments to the threshold for supporting documents for outgoing foreign-currency transfers from USD100 thousand to USD50 thousand, effective since April 2026.

**15. In the macroprudential policy area, BI continues to strengthen the effectiveness of accommodative macroprudential policies to encourage lending and financing growth in support of economic growth while maintaining financial system stability through:**

- a. Optimizing the Macroprudential Liquidity Incentive Policy (KLM) to further encourage increased bank lending and financing to priority sectors in support of economic growth. The strengthened KLM framework, implemented since 16 December 2025, is designed to provide greater incentives to banks that expand lending and financing to sectors designated by Bank Indonesia (lending channel), as well as to banks that respond more actively in reducing new lending rates in line with the downward direction of Bank Indonesia’s policy rate (interest-rate channel).

As of the first week of April 2026, total KLM incentives reached IDR427.9 trillion, comprising IDR358.0 trillion allocated through the lending channel and IDR69.9 trillion through the interest-rate channel. By bank category, KLM incentives were distributed as follows: state-owned banks, IDR224.0 trillion; private national banks, IDR166.6 trillion; regional development banks, IDR29.6 trillion; and foreign bank branch offices, IDR7.8 trillion.

By sector, KLM incentives have been directed toward priority sectors, including agriculture, industry and downstreaming, services, including the creative economy, construction, real estate and housing, MSMEs, cooperatives, financial inclusion, and sustainable sectors.

- b. strengthening accommodative macroprudential policies by maintaining: (i) the Countercyclical Capital Buffer (CCyB) ratio at 0%; (ii) the Macroprudential Intermediation Ratio (RIM) within the range of 84–94%; (iii) the Foreign Funding Ratio (RPLN) at a maximum of 35% of bank capital; (iv) the Loan-to-Value/Financing-to-Value (LTV/FTV) ratio for property lending at a maximum of 100% and minimum down payment requirements for motor vehicle loans at 0%, effective from 1 January to 31 December 2026; and (v) the Macroprudential Liquidity Buffer (PLM) ratio at 4% with 4% repo flexibility, and the Sharia PLM ratio at 2.5% with 2.5% repo flexibility;
- c. strengthening synergies with the Government and other stakeholders to encourage intermediation demand and enhance the effectiveness of

accommodative macroprudential policies in supporting lending and financing growth and reducing bank lending rates, through the Indonesia Intermediation Acceleration Program (PINISI) and publication of transparency assessments on Prime Lending Rates (SBDK), including deeper assessments of lending rates in KLM priority sectors; and

- d. directing macroprudential policies to support MSMEs through: (i) KLM incentives for MSME, cooperative, inclusion, and sustainable sectors of up to 1.0% of third-party funds (DPK); (ii) implementation of the Macroprudential Inclusive Financing Ratio (RPIM) policy to encourage greater bank contributions to MSME financing and development; and (iii) development of regional MSME business models, particularly in food agriculture and export commodity sectors.
16. Payment-system policy continued to be directed toward supporting economic growth by strengthening the payment-system industry's structure and expanding digital-payment acceptance.
- a. Bank Indonesia continued to strengthen the structure of the payment-system industry, particularly in the areas of risk management and the reliability of industry players' technological infrastructure, in line with the implementation of Bank Indonesia Regulation No. 10 of 2025 concerning the Regulation of the Payment System Industry (PBI PISP) and its implementing provisions.
  - b. On 30 April 2026, BI launched the Indonesia Digital Innovation Center (PIDI) to accelerate the transformation of the Digital Economy and Finance (EKD), including through the organization of Hackathons and digital talent development initiatives under the Digital Talenta Berdaya dan Berkarya (Digdaya) program, in synergy with relevant authorities, associations, and ministries/agencies.
  - c. BI launched the Indonesia–Korea Cross-Border QRIS linkage on 1 April 2026 and the Indonesia–China Cross-Border QRIS linkage on 30 April 2026 as part of efforts to expand cross-border digital payment connectivity and accelerate digital payment adoption.
  - d. BI implemented the quarterly Capacity Building and Literacy Program for the Synergy of Regional Digitalization Acceleration and Expansion (KATALIS P2DD) on 5 March 2026 as a knowledge hub aimed at strengthening regional digitalization capabilities and competencies through the adoption of the latest payment-system innovations to improve the efficiency and digitalization of regional government transactions, including the quality of public services.
  - e. BI strengthened the readiness of the national payment system during the Idulfitri 1447 H National Religious Holiday (HBKN) period by ensuring the availability, reliability, and security of Bank Indonesia Payment Systems (SPBI) and industry payment systems, while also ensuring the adequate and high-quality supply of Rupiah currency throughout the territory of the Republic of Indonesia, including through the 2026 Ramadan and Idulfitri Rupiah Festivity Program (SERAMBI).

17. In addition, BI continued to strengthen and expand international cooperation in central banking areas, including payment system connectivity and local currency transactions, and to facilitate investment and trade promotion activities in priority sectors in collaboration with relevant institutions.
18. BI will continue to strengthen policy synergies with KSSK to maintain financial system stability, as well as with the Government to preserve stability and support economic growth in line with the Government's priority programs.
19. The domestic capital market moved dynamically during the first quarter of 2026 amid heightened global uncertainty. The Indonesia Composite Index (IHSG) closed at 7,048.22 as of 31 March 2026, correcting by 18.49% quarter-to-quarter, while still recording positive annual growth of 8.26% year-on-year. Entering May 2026, the IHSG showed signs of recovery and, as of 5 May 2026, closed at 7,057.11, reflecting a month-to-date increase of 1.44%. Fundraising activity by domestic corporations in the capital market also remained strong. As of 5 May 2026, total capital-market fundraising had reached IDR59.35 trillion year-to-date. This achievement reflects sustained fundraising interest in the capital market, predominantly driven by the issuance of Debt Securities and/or Sukuk (EBUS) amounting to IDR58.90 trillion.

Meanwhile, the number of capital-market investors as of the first quarter of 2026 increased to 24.74 million Single Investor Identification (SID) accounts, representing a year-to-date growth of 21.51%.

20. Banking-sector intermediation performance remained contributory, supported by a well-maintained risk profile. Bank lending in March 2026 recorded growth of 9.49% yoy, reaching IDR8,659 trillion, driven primarily by strong investment lending growth of 20.85% yoy, followed by consumer lending growth of 5.88% yoy, while working capital loans grew by 4.38% yoy.

Meanwhile, asset quality remained well maintained, with the gross Non-Performing Loan (NPL) ratio recorded at 2.1% and the net NPL ratio at 0.8%. The Loan at Risk (LaR) ratio also remained relatively stable at 8.9%.

On the funding side, banking-sector third-party funds (DPK) grew by 13.55% yoy to IDR10,230 trillion, with demand deposits, savings deposits, and time deposits growing by 21.37%, 8.36%, and 11.57% yoy, respectively.

21. Banking sector resilience remained strong, as reflected in the Capital Adequacy Ratio (CAR), which remained high at 25.09% in March 2026. Banking sector liquidity also remained adequate, with the Loan-to-Deposit Ratio (LDR) recorded at 84.64%. Meanwhile, the Liquid Assets-to-Non-Core Deposit (AL/NCD) ratio and Liquid Assets-to-Third-Party Funds (AL/DPK) ratio stood at 122.55% and 27.85%, respectively, both significantly above the applicable regulatory thresholds of 50% and 10%, respectively.
22. In the Insurance, Guarantee, and Pension Fund (PPDP) sector, total insurance industry assets reached IDR1,195.75 trillion as of March 2026, up 4.38% yoy. Overall, capitalization

within the commercial insurance industry remained adequate, with the RiskBased Capital (RBC) ratio for the life insurance industry at 474.26%, and for the general insurance and reinsurance industry at 316.32%, both significantly above the regulatory minimum threshold of 120%.

In the pension fund industry, total pension fund assets grew by 10.49% yoy in March 2026, reaching IDR1,684.89 trillion. Assets under voluntary pension fund programs amounted to IDR408.82 trillion, growing by 6.90% yoy. Meanwhile, total assets of guarantee companies increased by 0.77% yoy to IDR47.48 trillion.

23. In the Financing Institutions, Venture Capital Companies, Microfinance Institutions, and Other Financial Services Institutions (PVML) sector, financing receivables of finance companies grew by 0.61% yoy in March 2026, reaching IDR514.09 trillion, supported primarily by working capital financing, which expanded by 6.15% yoy.

The risk profile of finance companies remained well maintained, with gross Non-Performing Financing (NPF) recorded at 2.83% and net NPF at 0.80%. The gearing ratio of finance companies also remained prudent at 2.17 times, well below the regulatory limit of ten times.

In the peer-to-peer lending (Pindar) industry, outstanding financing grew by 26.25% yoy to IDR101.03 trillion, while the aggregate non-performing financing risk level (TWP90) remained manageable at 4.52%.

24. As of March 2026, a total of 1,464 crypto assets were approved for trading. OJK has granted licenses to 31 entities in the crypto asset trading ecosystem, including two crypto exchanges, two clearing and settlement institutions, two custodial service providers, and 25 crypto asset traders.

In addition, the number of crypto asset consumers continued to rise, reaching 21.37 million as of March 2026. The value of crypto asset transactions during March 2026 was recorded at IDR22.24 trillion.

25. In response to global developments and in consideration of domestic economic and market conditions, the Financial Services Authority (OJK) has implemented the necessary policy measures to maintain financial system stability and support economic growth, including the following:

- a. As part of Indonesia's capital market reform agenda, OJK has established eight action plans focused on enhancing liquidity, transparency, governance, and market synergies. Currently, OJK, together with the Indonesia Stock Exchange (IDX) and the Indonesia Central Securities Depository (KSEI), has completed all transparency enhancement initiatives, including the provision of share ownership data above 1%, the increase of the minimum free float requirement to 15%, the implementation of High Shareholding Concentration (HSC) disclosures, enhanced granularity of share ownership data, and reporting requirements for Ultimate Beneficial Owners (UBO) with ownership of 10% or more.

- b. To support the acceleration of the three-million-housing program and MSME financing, OJK has introduced several strategic policies, including limiting information displayed in the Financial Information Service System (SLIK) reports to loans or financing above one million rupiah, accelerating credit settlement status updates to a maximum of three days after transactions, and providing SLIK data access to BP Tapera in accordance with prevailing regulations.
  - c. OJK has introduced special treatment policies for loans and financing extended to debtors affected by natural disasters in Aceh, North Sumatra, and West Sumatra, effective for a period of three years from 10 December 2025. As of March 2026, loan and financing restructuring under OJK relaxation policies had reached IDR17.4 trillion (February 2026: IDR16.3 trillion), covering 279.4 thousand accounts.
  - d. OJK has issued the 2026–2031 Roadmap for the Development and Strengthening of the Bullion Business and Ecosystem as a strategic initiative in collaboration with the Coordinating Ministry for Economic Affairs and relevant ministries/agencies to strengthen the national bullion ecosystem, support downstream development in the gold sector, and deepen financial markets. In line with this initiative, OJK has also issued regulations concerning Exchange-Traded Funds in the form of Collective Investment Contracts with gold as the underlying asset (Gold ETF POJK).
26. The Indonesia Deposit Insurance Corporation (LPS) continues to maintain public confidence and financial system stability by optimally implementing deposit insurance and bank resolution programs. From the deposit insurance perspective, the proportion of insured accounts consistently remained above 90% for both commercial banks and rural banks/sharia rural banks (BPR/BPRS).

As of March 2026, the proportion of bank deposits above the Deposit Insurance Rate (TBP) remained stagnant at above 30%. Nevertheless, deposit interest rates have gradually declined across depositor and bank categories. In light of these developments, LPS, together with other KSSK member institutions, continues to encourage adjustments in deposit rates to remain aligned with the TBP, thereby strengthening policy transmission by lowering lending rates and enhancing the effectiveness of banking intermediation.
27. Following the issuance of Government Regulation (PP) No. 11 of 2026 concerning Fund Placement in Banks and the Implementation of Authorities under the Banking Restructuring Program (PRP), LPS will immediately prepare implementing regulations in the form of LPS Regulations (PLPS).

Meanwhile, in preparation for the implementation of the policyholder guarantee program, LPS continues to accelerate preparations across policy formulation, human resources, and information technology, including data integration and exchange with OJK. These measures are intended to ensure the regulatory framework supporting LPS duties and functions is ready in both the banking and insurance sectors.

LPS also assesses that stability challenges in the banking sector are likely to increase, driven not only by external uncertainties but also by operational risks. Strengthening information technology infrastructure and capacity, therefore, remains necessary, particularly among smaller banks and financial institutions that have yet to optimally manage cybersecurity risks.

28. LPS, together with other KSSK member institutions, will further intensify cooperation programs to enhance financial literacy and inclusion, particularly in the banking and insurance sectors, with an emphasis on strengthening customer protection and public confidence.

In line with this effort, LPS, together with OJK and BPS, has expanded the scale and scope of the National Financial Literacy and Inclusion Survey (SNLIK) this year, with the objective of developing a more comprehensive mapping framework as a basis for cross-segment and regional inclusion and education programs.

Currently, approximately 15 million Indonesians of productive age still do not have access to banking accounts. Together with KSSK, LPS will continue to encourage broader public access to banking accounts in order to enhance financial inclusion and facilitate more efficient and effective participation in the Government's Asta Cita priority programs.

29. KSSK remains committed to continuously strengthening synergies, enhancing coordinated policy responses, and maintaining vigilance in mitigating various risks that may affect the economy and the Financial System Stability (SSK). KSSK also reaffirms its commitment to supporting the real sector, the Government's Asta Cita agenda, and other priority programs in order to promote sustainable economic growth and national prosperity.
30. The Government, Bank Indonesia, OJK, and LPS remain committed to finalizing the implementing regulations mandated under the Financial Sector Development and Strengthening Law (UU P2SK) in a credible and inclusive manner, involving relevant stakeholders, including financial industry participants and the broader public.
31. KSSK will convene its next regular meeting in July 2026.

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